



7 June 2018

Companies Announcement Office
Via Electronic Lodgement

GRANT OF ASX LISTING RULE WAIVER

Peninsula Energy Limited (**Peninsula or Company**) advises that, further to the Company's announcement dated 20 April 2018 regarding the 2-year extension of the Convertible Loan Facility with major shareholders Resource Capital Fund VI L.P. (**RCF VI**) and Pala Investments Ltd (**Pala**), the Company has been granted a waiver from ASX Listing Rule 10.1.

The waiver allows Peninsula, subject to certain conditions, to grant security over its assets in favour of RCF VI and Pala pursuant to the Convertible Loan Facility, without obtaining shareholder approval. Details of the waiver and the conditions are provided below.

Waiver of ASX Listing Rule 10.1

The ASX has granted the Company a waiver from Listing Rule 10.1, to the extent necessary to permit the Company and its subsidiaries to grant security over its assets in favour of Resource Capital Fund VI L.P and Pala Investments Limited (**Security**) (together the "**Lenders**") pursuant to a convertible note facility (**Convertible Loan Facility**) under which the Lenders have provided the Company with a pro-rated proportion of US\$17 million, without obtaining shareholder approval on the following conditions:

- 1.1. The Convertible Loan Facility includes a term that if an event of default occurs and the Lenders exercise their rights under the Security, neither the Lenders nor any of their associates can acquire any legal or beneficial interest in an asset of the Company in full or part satisfaction of the Company's obligations under the Convertible Loan Facility, or otherwise deal with the assets of the Company, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver and manager (or any other person acting on behalf of the Lenders) appointed by the Lenders exercising their power of sale under the Security and selling the assets to an unrelated third party on arm's length commercial terms and conditions and distributing the cash proceeds to the Lenders in accordance with their legal entitlements.
- 1.2. A summary of the material terms of the Convertible Loan Facility is made in each annual report of the Company during the term of the Convertible Loan Facility.
- 1.3. Any variations to the terms of the Convertible Loan Facility or the Security which is:
 - 1.3.1. not a minor change; or
 - 1.3.2. inconsistent with the terms of the waiver,must be subject to shareholder approval.

- 1.4. The Company must seek to discharge the Security when the funds advanced under the Convertible Loan Facility are repaid or are otherwise satisfied through the conversion of the convertible notes issued pursuant to the Convertible Loan Facility, or if the Security is not discharged, seek shareholder approval for the continuation of the Security for any further loan facility amount.
- 1.5. The Company immediately releases to the market an announcement which:
 - 1.5.1. sets out the terms of the waiver, and the Company's plans with respect to the repayment of the funds advanced under the Convertible Loan Facility and the discharge of the Security, including the timeframe within which it expects the repayment and discharge to occur; and
 - 1.5.2. includes a statement of the reasons why the Company has chosen to obtain a financial accommodation from a listing rule 10.1 party (i.e. the Convertible Loan Facility from the Lenders) rather than a lender that is not a listing rule 10.1 party, and the steps the Company's board has taken to satisfy itself that the transaction is being entered into on arm's length terms and is fair and reasonable from the perspective of the holders of the Company's ordinary securities.

On 1.5.1 and 1.5.2 above, the Company advises that the Convertible Loan Facility is expected to be repaid or converted on or before 22 April 2020 and the Company considers the extension of the existing Convertible Loan Facility with its major shareholders on terms that are commercially reasonable is the most efficient and practical means of re-finance given the recent conditions in the global uranium market and that the Company is currently in the early stages of transitioning the method of operations at its flagship Lance Projects in Wyoming, USA.

As previously announced to the market, the Company is in the process of finalising and entering into the relevant documentation to amend the existing convertible loan agreements and will then hold an extraordinary general meeting of shareholders to approve the amended terms of the Convertible Loan Facility as soon as possible.

Yours Sincerely,



Jonathan Whyte
Company Secretary

For further information, please contact our office on +61 8 9380 9920 during normal business hours.